
FEDERAL ENERGY REGULATORY COMMISSION

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NEWS RELEASE

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FOR IMMEDIATE RELEASE

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(Docket No. CP00-6-000, et
al.)

COMMISSION APPROVES A CERTIFICATE FOR GULFSTREAM PIPELINE PROPOSAL IN FLORIDA

The Federal Energy Regulatory Commission today approved the construction and operation of an interstate natural gas pipeline that will provide new service to ever-increasing energy markets in Florida.

The Commission awarded a certificate to Gulfstream Natural Gas System, L.L.C., to construct and operate a new 753-mile interstate transmission system that will transport up to 1.13 billion cubic feet of natural gas per day to electric generators, local gas distribution companies, municipalities and independent power generators located in central and eastern Florida. The project will cost an estimated \$1.7 billion.

Commission Chairman Curt L. Hébert, Jr. commented: "I am delighted that we have been able to approve this pipeline project. It is critical that natural gas can be moved to markets that need it. The Commission will do its part to avoid undue delay while still ensuring that proper consideration is given to landowners and environmental concerns."

The Commission today reaffirmed its preliminary determination issued April 2000. The order on non-environmental issues found that Gulfstream's new service will foster increased competition in the transportation and sale of natural gas in Florida. The Commission cited other benefits, including an increase in transportation options for Florida markets, primarily natural gas-fueled electric generation plants. The additional gas service is needed to meet anticipated substantial increases in consumption in Florida driven primarily by projected population growth over the next 10-20 years, the Commission concluded.

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The Commission also concluded that, with the use of Gulfstream's proposed mitigation and the Commission's required mitigation measures, the construction and operation of the proposed facilities would result in limited adverse environmental impacts. The Commission ordered Gulfstream to adhere to the mitigation measures described in the FERC Staff's Final Environmental Impact Statement (FEIS) issued January 2001 and contained in an Appendix to its authorization order. These measures are "appropriate and reasonable for construction and operation of the proposed project," the Commission order said.

Gulfstream's proposal includes construction of supply area facilities in Alabama and Mississippi and approximately 430 miles of transmission pipeline ending onshore at a pressure regulator station in Manatee County, FL. From that point, Gulfstream will construct close to 300 miles of pipeline that will traverse Manatee, Hardee, Polk, Osceola, Highlands, Okeechobee, Martin and St. Lucie Counties, terminating in Palm Beach, Florida. Compressor stations, metering and other related facilities will also be constructed.

The Commission directed Gulfstream to complete construction so that the pipeline facilities are available for service within two years of the date of its order.

Gulfstream recently notified the Commission that, effective February 1, 2001, affiliates of Duke Energy Corporation and The Williams Companies completed the purchase of 100 percent of the membership interests in Gulfstream from affiliates of the Coastal Corporation.

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